THE PRESIDENT'S MESSAGE

The Present Contrasted with One Hundred Years Ago.

OUR RELATIONS WITH SPAIN

No Recognition or Belligerent Rights to Cuba

SECTABIANDA IN PUBLIC SCHOOLS CONDRENED

Taxation of Church Property Recommended.

PLAIN TALK ON SPECIE RESUMPTION.

The Twin Relic and the Immigration of Chinese Women.

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TO THE SENATE AND HOUSE OF REPRESENTATIONS. In submitting my seventh annual Message to Congress in this centennial year of our national existence as a free and independent people, it afforms me great easure to recur to the advancement that has been made We were then a people numbering only 2, 000, 200. New onfined almost exclusively to the tillage of the soil. Now manufactories absorb much of the labor of the n have been freed from slavery. We have secome possessed of the respect, if not the as been great in all the arts-in science, agriculture, ommerce, navigation, mining, mechanics, law, medione, &c. And in general education the progress is likewise encouraging. Our thirteen States have ecome thirty-eight, including Colorado (which has taken the initiatory steps to become a State), and eight Territories, including the Indian Territory and Alaska, from the Atlantic to the Pacific. On the south we have extended to the Gulf of Mexico, and in the west from Mississippi to the Pacific. One hundred years ago the cotton gin, the steamship, the railroad, the telees and numerous other inventions of scarcely less value to our business and happiness were entirely even in name in all this vast territory. In 1870 more ries, producing more than \$2,100,000,000 of products in amount annually-nearly equal to our national debt. engaged in the one occupation of agriculture, in 1870, our people, that less than 6,000,000 out of more than 40,000,000 were so engaged. The extraordinary effect tions has built a market for the products of fertile ands distant from the scaboard and the markets of the world. The American system of locating various and extensive manufactories pert to the plough and the pasture, and adding connecting railads and steamboats, has produced in our distant interior country a result noticeable by the intelligent parts all commercial nations. The ingenuity and skill of American mechanics have been demonstrated at home and abroad in a manner most flattering to their pride. mechanics, the achievements of our agriculturists, progress of the miner has also been great. Of coal our production was small, now many millions of tons are mined annually. So with iron, which formed scarcely an appreciable part of our products half a century ago, at the beginning of our national existence; lead, zinc and copper, from being articles of imports, we may expect to be large exporters of in the near future. The development of gold and silver mines in the United States and Territories has not only been remarkable

our progress in all of the learned professions. AN We are now about to enter upon our second centennial, commencing our manhood as a nation, it is well to look back upon the past and study what will be best to preserve and advance our future greatness. From the fall of Adam, for his trangression, to the present day, no nation has ever been free from threatened danger to its presperity and happiness. We should look to the dangers threatening us, and remedy them so far as lies in our power. We are a Republic whereof one man is as good as another before the law. Under such a form of government it is of the greatest importance that all should be possessed of education and intelligence enough to cast a vote with a right understanding of its meaning. A large association of ignorant men cannot, for any considerable period, oppose a successful resistance to tyranny and oppression from the educated few, but will inevitably sink into acquiescence to the will of intelligence, whether directed by the demagogue or by priestcraft. Hence the education of the masses becomes of the first necessity for the preservation of our institutions. They are worth preserving, because they have secured the greatest good to the greatest proportion of the population of any form of government yet devised. All other forms of government approach it just in proportion to the general diffusion of education and independence of thought and action. As the primary step, therefore, to our advancement in all that has marked our progress in the past century, I suggest for your earnest consideration, and most earnestly recommend it, that a constitutional amendment be submitted to the Legislatures of the several States for ratification making it the duty of each of the several States establish and forever maintain free public schools adequate to the education of all the children in the rud mentary branches within their respective limits, irrespective of sex, color birthplace or religions; forbidding the teaching in said schools of religious, atheistic or pagan tenets, and probibiting the granting of any school funds or school taxes, or any part thereof, either by legislative, municipal or other authority, for the benefit or in aid, directly or indirectly, of any re-ligious sect or denomination, or in aid or for the bene-fit of any other object of any nature or kind whatever.

but has had a large influence upon the business of all commercial nations. Our merchants in the last hundred years have met with great success and have established a reputation for enterprise, sagacity, progress and in-tegrity unsurpassed by people of older nationalities. This "good name" is not confined to their homes, but goes out upon every sea and into every port where commerce enters. With equal pride we can point to

UNIAXED CHURCH PROPERTY.
In connection with this important question I would also call your attention to the importance of correcting an evil that, if permitted to continue, will probably lead to great trouble in our land before the close of the nineteenth century; it is the accumulation of vast emounts of untaxed Church property. In 1860, I believe, the Church property of the United States, which paid no tax, mu-

doubled. In 1875 it is about \$1,000,000,000. By 1900, without check, it is safe to say this property will reach a sum exceeding \$3,000,000,000. So vast a sum, re-ceiving all the protection and benefits of government, without bearing its proportion of the burdens and ex. seases of the same, will not be looked upon acquiescently by those who have to pay taxes. In a growing country, where real estate enhances so rapidly with time as in the United States, there is scarcely a limit to the wealth that may be acquired by corporations, relior cavation. The sentemplation of so vast a property as bere alluded to, without taxation, may lead to sethrough blood of would suggest the taxation of all property equally, whether church or corporation, exemping only the last resting place of the dead, and possibly, with proper restrictions, church edifices. axistions with Forkius Powkus.

Our relations with most of the foreign Powers contimes on a satisfactory and friendly footing. Increased tion of motoal interests, have steadily improved our requestions which from time to time necessarily arise, The correspondence of the Department of passage of an act by the General Cortes of Portugal is to be haped that such legislation may be another constitution, to provide by suitable legislation

Chiti has mode reparation in the case of the whale and of forty years are. Though she had Bitherto ented her accountability the dental was never ac-mesced in by our government, and the justice of the sum has been so carnestly contended for that it has sen gratifying that she should have at last acknowl-

ministed in order that of such amounts to the parameter of congress the necessary regionation upon the subject may be adopted.

In March last an arrangement was made through Mr. Conling, our Manaster in Madrid, with the Spanish government for this payment by the latter to the United States of the annual States on one for the purpose of the relief of the families or persons of the Verginius. This was was to have been just in three installments, at two mouths each. It is due to the Spanish government that I should state that the payments were fully and epontaneously anterpated by that government, and that he whole smouth was paid within but a few days more than two months from the date of the agreement, a copy of which is become the transmitted. In pursuance of the terms of the almost amought be parties entitled thereto, including the ship's company and such of the passengers as were American citizens. Payments are made accordingly on the application of the parties entitled thereto.

merce and the natural productions of the island.

Hernuse of this hope, and from an extreme
refuctance to interfere, in the most remote
manner, in the affairs of another and friendly
tation, especially of one whose sympathy and
friendship in the struggling infancy of our existence

occupation of territory as to take the contest out of the category of a mere rebellous insurrection, or occasional skirmishes, and place it on the terrible footing of war, to which a recognition of belligerency would aim to elevate it. The contest, moreover, is aciety on land. The insurrection has not possessed itself of a single scaport, whence it may send forth its flag. Nor has it any means of communication with foreign powers, except through the military lines of its advorsaries. No apprehensions of any of those sudden and difficult complications which a war upon the ocean is apt to produpitate upon the vessels both commercial and national, and upon the consular officers of other Powers, call for the definition of their relation to the parties to the contest. Considered as a question of expediency. I regard the accordance of belligerent rights still to be as unwise and premature as I regard it to be at present indefensible as a measure of right. Such recognition entails upon the country according the rights which flow from it difficult and complicated duties and requires the exaction from the contending parties of the strict observance of their rights and obligations. It confers the right of search upon the high seess by vessels of both parties; it would subject the carreing of arms and ammunition of war, which now may be transferred freely and without interruption in the vessels of the United States, to detention and to possible sersure; it would give rise to countless vexatious questions; would release the parent government from responsibility for acts done by the maurgents, and would invest Spain with the right to exercise the supervision recognized by our treaty of 1735 over our commerce on the high seas, a very large part of which is its traffic between the Atlantic and Gulf states, and between all of them and the States upon the Facilic passes through the waters which wash the shores of Cuba. The exercise of this supposition could scarce fail to lead, if not to abuses, certainly to collisions, perilou

States. There can be little doubt to what result such supervision would before long draw this nation. It would be unworthy of the United States to inaugurate the possibilities of such result by measures of question abis right or expediency or by any indiscretion. Apart from any question of theoretical right, I am satisfied that while the accordance of belligerent rights to the insurgents in Cuba might give them a hope and inducement to protract the struggle, it would be but a delusive hope, and would not remove the cvils which this government and its people are experiencing, but would draw the United States into complications which it has waited long and already suffered much to avoid.

THE COLERA FOR THE UNITED STATES.

The recognition of independence or of belligerency being thus, in my judgment, equally inadmissible, it remains to consider what course shall be adopted should the conflict not soon be brought to an end by acts of the parties themselves, and should the evils which result therefrom affecting all nations and particularly the United States, continue. In such event I am of opimon that other nations will be compelled to assume the responsibility which devolves upon them and to seriously consider the only remaining measures possible—mediation and intervention. Owing, perhaps, to the large expanse of water separating the island from the Peninsula the want of harmony and personal sympathy between the inhabitants of the colony and those sent thicher to rule them and the want of adaption of the ancient colonial system of Europe to the present times and to the ideas which the events of the past century have developed, the contending parties appear to have within themselves no depository of common connected to surgest wisdom, when passion and excitement have taken their sway, and to assume the part of postemaker. In this view, in the early days of the contest, the good offices of the United States as a mediator were tendered in good faith, without any selfaburpose, in the interest of the united States and yes the strife continues, with all its dread horrors and all its injuries to the interests of the United States and of other nations. Each party seems quite capable and of other nations. Each party seems quite capable of working great injury and damage to the other, as well as to all the relations and interests attendant upon the existance of peace in the island. But they seem incapable of reaching any adjustment and both have, thus far, failed of achieving any success whereby one party shall possess and control the island to the exclusion of the other. Under these circumstances, the agency of others, either by meditation or intervention, seems to be the only alternative, which must, sconer or lator, be invoked for the termination of the strife. At the same time, while thus impressed, I do not, at this time, recommend the adoption of any measure. I shall be ready at all times, and as the equal friend of both parties, to respond to a suggestion that the good offices of the United States will be acceptable to not in bringing about a peace honorable to both. It is due to Spain, so far as this government is concerned, that the agency of a third Power to which I have adverted shall be adopted only as a last expedients. Had it been the desire of the United States to interfere in the affairs of Cuba, repeated opportunities for so doing have been presented during the last lew years; but we have remained passive, and we have performed our our whole duty and all international obligations to Spain with friendship, farness and fidelity, and with a spirit of patience and forbearace which negatives every possible suggestion of desire to interfere or to add to the difficulties with which she has been surrounded. The government of Spain has recently submitted to our Minister at Madrid certain proposals, which, it is feared, may be found to be the basis; if not the actual submission, of terms to meet the requirements of the particular greate of which this government has felt itself entitled to complain. These proposals have not yet reached me in their full text. On their arrival they will be taken into careful examination, and may, I hope, lead to a satisfactory adjustment of the questions

I recommend the least also which may be deemed proper to enable the Lord to complete the work before it.

I recommend that some suitable provision be made, by the creation of a court of by conferring too necessary principation upon some appropriate tribucal, for the consideration and determination of the classes of aliens against the government of the Creat States, which have arisen within some reachable limitation of time or which may hereafter arise, actualing all classes barred by treaty provisions or otherwise. It has been found impossible to give proper consideration to these claims by the Executive Department of the government. Such a tribunal would afford an opportunity to aliens, other than British subjects to present their claims on account of acts commission, and their claims on account of acts commission, arisen their claims on account of acts commission, argainst their persons or properly during the rebellion, a also to those subjects of Great Britain whose claims having arisen subsequent to the 9th day of April, 180, could not be presented to the late commission, or anized pursuant to the provisions of the Treaty of Washin ton.

OCKAY TRIBETORY TO THE COUNTY OF THE PROPERTY OF THE P deny to the great interests of the world and of civilization, the facilities of such communication as were proposed. I therefore withheld resistance to the landing of any cable on condition that the offensive monopoly feature of the concession be abandoned, and that the right of any cable which may be established by authority of this government to land upon French territory and to connect with French land lines and enjoy all the necessary facilities or privileges incident to the use thereof, upon as tavorable terms as any other company, be conceded. As the result thereof the company in question renounced the exclusive privilege and the representative of France was informed that understanding this relinquishment to be construed as granting the entire reciprocity and equal facilities which had been demanded, the opposition to the landing of the cable was withdrawn. The cable, under the French concession, was landed in the month of July, 1869, and has been an efficient and valuable agent of communication between this country and the other Continent. It soon passed under the control, however, of those who had the management of the cable connecting Great Britain with this Continent, and thus whatever benefit to the public might have ensued from competition between the two lines was lost beyond having the greater facilities of an additional line and the additional security in case of accident to one of them. But these increased facilities and this additional security, together with the control of the combined capital of the two companies, gave also greater power to prevent the future construction of other lines, and to limit the control of telegraphic communication between the two continents to those possessing the lines already land.

Within a few months past a cable has been laid, known as the cable was reported to be in working order the rates of the two continents to those possessing the lines already land.

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Translation and the election of expatriation and the election of expatriation and the election of antionality to the United states, which were forement in upholding the right of expatriation and was principally instrumental in overthrowing the doctrins of perpetual allegiance. Congress has declared the right of expatriation to be a natural and inherent right of all people; but, while many other nations have enacted laws providing what formalities shall be necessary to work a change of allegiance, the United States has enacted no provisions of

which more delicate relations or more important inter-cets are dependent.

In the month of July last the building erected for the Department of State was taken possession of and occu-pied by that department. I am happy to announce that the archives and valuable papers of the government in the custody of that department are now safely deposited and properly cared for.

peed by that department. I am happy to announce that the archives and valuable papers of the government in the custogy of that department are now safely deposited and properly cared for.

The report of the Secretary of the Becal year ending June 30, 1874, to have been \$163,103,833 69, and for the fiscal year ending June 30, 1874, to have been \$163,103,833 69, and for the fiscal year ending June 30, 1875, to have been \$163,103,833 69, and for the fiscal year ending June 30, 1876, to have been \$163,167,722 35, a decrease for the last fiscal year of \$5,896,111 34. Receipts from internal revenue for the year ending 30th of June, 1874, were \$102,499,784 90, and for the year ending June 30, 1875, were \$102,499,784 90, and for the year ending June 30, 1875, were \$102,499,784 90, and for the year ending June 30, 1875, were \$102,499,784 90, and for the year ending June 30, 1875, were \$102,499,784 90, and for the year ending June 30, 1875, were \$102,499,784 90, and for the year ending June 30, 1875, were \$102,499,784 90, and for the year ending June 30, 1875, were \$102,499,784 90, and for the year ending June 30, 1875, were \$110,074,492,784 90, and for the year ending June 30, 1875, at the number of the last year, and contains recommendations for reforms and for legislation which I concur in, but cannot comment on so fully as I should like to do, if space would permit, but shall confine myself to a few suggestions which look upon as vital to the best interests of the whole people coming within the purview of the "Treasury," I mean specie resumption. Too much stress cannot be had upon this question, and I hope Congress any be induced, at the earliest day practicable to insure the consummation of the act of the last Congress at its last session, to bring about specie resumption on and after the 1st day of January, 1879, at the nurthest, It would be a great blessing if this could be consummated even at an earlier day. Nothing seems to me more certain than that a full, healthy and permanent reaction cannot take place in flav

money to be received having an unvarying value; laborers and all others who work for stipulated pay or salary would receive more for their income, because extra profits would no longer be charged by the capitalist to compensate for the risk of a downward fluctuation in the value of the currency.

REDEMETION OF LEGAL TENDERS.

Second—That the Secretary of the Treasury be authorized to redeem say not to exceed \$2,000,000 monthly of legal tender notes by issuing in their stead a long bond, bearing interest at the rate of three and sixy-five one-hundredths per cent per annum, of denominations ranging from \$60 to \$1,000 each. This would, in time, reduce the legal tender notes to a volume that could be kept affoat without demanding redemption in large sums anddenly.

Third—That additional power be given to the Secretary of the Treasury to accumulate gold for final redemption, either by increasing the revenue or curtailing expenses, or both. It is preferable to do both, and I recommend that a reduction of expenditures be made wherever it can be done without impairing revernment obligations or crippling the due execution thereof.

DUTY ON TEA AND COFFER.

One measure for increasing the revenue, and the only one I think of, is the restoration of the duty on tea and coffee. Those duties would add, probably \$15,000,000 to the present amount received from imports and would in no way increase the price paid for those articles by the consumers. The articles are the products of countries collecting revenue from exports, and as we, the largest consumers, reduce the duties they proportionately increase them, with this addition to the revene many duties now collected, and which give but an insignificant return for the cost of collection, might be remitted, and to the direct advantage of consumers at home. I would mention those articles which enter into manufactured here, and must be paid for by the consumers. These duties not only come from the consumers at home. I would mention the problem of how to enable the Secretary of the

fast as men could be enlisted for those not already in commission. Of those one-third are in effect new ships, and, though some of the remainder need considerable repairs to their boilers and machinery, they all are or can readily be made effective. This constitutes a fleet of more than fifty war ships, of which fifteen are iron-clad, now in hand on the Atlantic coast. The navy has been brought to this condition by a judicious and practical application of what could be spared from the current appropriation of the last few years and from that made to meet the possible emergency of two years ago. It has been done quietly, without proclamation or display, and, though it has necessarily straitened the department in its ordinary expenditure, and, as far as the ironclads are concerned, as a added nothing to the cruising force of the navy, yet the result is not the less satisfactory, becases it is to be found in a great increase of real rather than apparent force. The expenses incurred in the maintenance of an effective naval force in all its branches are necessarily large; but such a force is essential to our position, relations and character, and affects seriously the weight of our principles and policy throughout the whole sphere of naval responsibilities. The estimatos for the regular support of this branch of the service for the next year amount to a little less, in the aggregate, than those made for the current year, but some midditional appropriations are asked for objects not included in the ordinary maintenance of the navy, but believed to be of pressing importance at this time. It would, in my opinion, be wise at once to afford sufficient means for the immediate completion of the five double turreted monitors now undergoing repairs, which must otherwise advance slowly and only as money can be spared from current expenses. Supplemented by these our navy, armed by our seamen and in charge of our instructed officers, will present a force powerful for the home purposes of a responsible, though peaceful, nation.

tree school, the Post Office is the great educator of the people, and it may well receive the support of the general government.

The subsidy of \$150,000 per annum given to vossels of the United States for carrying the mails between New York and Rio de Janeiro having ceased on the 30th day of September last, we are without direct mail facilities with the South American States. This is greatly to be regretted, and I do not hesitate to recommend the authorization of a renewal of that contract and also that the service may be increased from monthly to semi-monthly trips. The commercial advantages to be gained by a direct line of American steamers to the South American States will far outweigh the expense of the service. By act of Congress approved March 3, 1875, almost all matter, whether properly mail matter or not, may be sent any distance through the mails, in packages not exceeding four pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of sixteen cents per pounds in weight, for the sum of the loud and the decrease of sixteen cents per pounds in weight for the return of the few pounds in the sum of the su

simply a gratulty, may be issued or withheld at his discretion.

INDIAN TERRITORY.

The condition of the Indian Territory to which I have referred in several of my former animal messages remains practically unchanged. The Secretary of the Interior has taken measures to obtain a full report of the condition of that Territory, and will make it the subject of a special report at an early day. It may then be necessary to make some further recommendation in regard to legislation for the government of that Territory.

The steady growth and increase of the business of the Patient office indicate in some measure the progress of the industrial activity of the country. The receipts of the office are in excess of its expenditures, and the office generally is in a prosperous and satisfactory condition. The report of the General Land Office shows that there were 2,459,601 acres less disposed of during this than during the last year. More than one-half of this decrease was in lands disposed of under the Homestead and Timber Culture laws. The causes of this decrease is supposed to be found in the grasshopper scourge and the droughts which prevailed so extensively in some of the Trontier States and Territories during that time as to discourage and deter entries by

Homestead and Timber Culture laws. The causes of this decrease is supposed to be found in the grasshopper scourge and the droughts which prevailed so extensively in some of the Grontier States and Territories during that time as to discourage and deter entries by actual settlers. The cash receipts were less by \$690,322-23 than during the preceding year.

The entire surveyed area of the public domain is 680,253,094 acres, of which 26,077,531 acres were surveyed during the past year, leaving 1,154,471,702 acres will unsurveyed.

The reput of the Commissioner presents many interesting suggestions in regard to the management and disposition of the public domain and the modification of existing laws, the apparent importance of which should deserve for them the careful consideration of Congress. The rumber of pensioners still continues to decrease, the highest number having been reached during the year ending June 30, 1873. Buring the last increased 444, 735-13. This is caused by the greatly increased average rate of pensioners has decreased the annual amount due on the pension rolls has increased average rate of pensions, which by the liberal legislation of Congress has increased from \$90-26 in 1872 to \$10.59 til in 1875 to each invalid pensioner—an increase in the average rate of fifteen per cent in the three years. During the year ending June 30, 1876, there was paid on account of pensions, including the expenses of disbursement, \$20,683,116, being \$910,632 less than was paid the preceding year. This reduction in amount of expenditures was produced by the decrease in the amount of pensions, the rate of which was increased by the legislation of the preceding session of Congress. At the close of the last used year, and t

these spoliations, are in many instances more than the individual claimants were ever worth, including their personal and real estate. The report of the Attorney General, which will be submitted to Congress at an early day, will contain a detailed history of awards made and of claims pending of the class here referred to the configuration of claims pending of the class here referred to the configuration of the submitted of the ground of claims pending of the class here referred to the configuration for the Subsistence Department available before the beginning of the next fiscal year. Without this provision, troops at points distant from the supply production must either go without food or existing laws must be violated. It is not attended with our action of annutres for the families of deceased of inters by volentary deductions from the monthly pay of officers. This again is dot attended with burden upon the Treasury, and would for the future releve much distress, which every old army officer has witnessed in the past, of officers dring saddenly or being killed, leaving families without even the means of reaching their friends, if fortunate enough to have friends to help them. Pourth—The trial with torpedoes under the Corps of Engineers and appropriation for the same. Should ware rever occur between the United States and any martine Power torpedoes will be among, if not time most effective and chapter auxiliary for the defence of branch have. Hence it is destrable to learn by experiment which leaves some of times departments well as effective and chapter auxiliary for the defence of harding their freeds, if fortunate enough to have freeds to the first importation by the propriation of the same. Should ware revered them to preparations of the same solution of the marked there is a statistic to the part of the defence of the same at command give assurance that the government being a voluntary contribution study and extent to sustain the display are, in an international their papers and appropriation of the Signal